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July 30, 2010

Charities Division/Caritas Transaction  
Office of Attorney General Martha Coakley  
One Ashburton Place  
Boston, MA 02108

Department of Public Health  
Commissioner John Auerbach  
250 Washington Street  
Boston, MA 02108

Dear Attorney General Coakley and Commissioner Auerbach,

This letter serves as written comments from Joseph M. Smith Community Health Center (JMSCHC) on the proposed sale of the Caritas Christi Health Care System to Cerberus Capital Management. JMSCHC is a non-profit Federally Qualified Health Center whose mission is to improve the health and well-being of the communities of Allston, Brighton, Waltham and surrounding areas by providing quality, comprehensive, coordinated care. Nearly 90% of our 12,500 patients are publicly insured or uninsured, and over 90% are at or below 200% of the Federal Poverty Level. Our staff speaks nearly 20 languages to serve our patients, including English, Spanish, Portuguese, Vietnamese, Thai, and Haitian Creole. We are a safety net provider in the Allston-Brighton community, who, for 36 years, has ensured that everyone receives the health care services they need.

We acknowledge and agree it is important in this difficult economy to consider the preservation of local jobs and new tax revenues as important, positive components of the proposed sale. We also understand that there are large issues being debated with respect to structuring a deal to preserve the Caritas system. Our concern is that the sale as proposed has the potential to create an environment of unfair competition with the potential of destabilizing JMSCHC and the services we provide to tens of thousands of residents. We are concerned that the deal will: (1) create insurance networks that will enable the hospital to control our patients, and (2) give the hospital unfair advantage in the competition for hiring and retaining clinical staff. Instead, we invite and welcome Caritas and Cerberus to support JMSCHC rather than compete with us, so that we may both deliver high quality health care to those who need it.

*We provide comprehensive, culturally competent and affordable primary health care services and selected specialties to all families and individuals.*

### Limited Insurance Networks

Last year a new CommonwealthCare insurance product, called CeltiCare, was introduced in Massachusetts. This insurance was the lowest bidder in some regions of the Commonwealth, and as such processes were implemented to automatically assign eligible patients to CeltiCare. In our area, this insurance carrier contracted with only Caritas-affiliated hospitals. JMSCHC has a CeltiCare contract but now needs to direct patients needing specialty and hospital-based care to St. Elizabeth's, with whom we are not affiliated. This disrupted long-standing and close relationships with other hospitals, and created unnecessary confusion for our patients, many of whom do not speak or read English as their first language and have difficulties navigating the U.S. health care system. Imagine being a patient with heart disease for the last 5 years who now has to see a new cardiologist at a different hospital because of his/her insurance coverage. Imagine being a Thai-speaking pregnant patient who delivered her first two children at one hospital, and now in her first trimester is told she has to have her third child at a different hospital because of her insurance, where she does not know the staff or what interpreting services they offer in the delivery room.

This type of fragmented, uncoordinated care created by these networks is also contradictory to the principles of the Patient Centered Medical Home. The Executive Office of Health and Human Services has stated it would like all primary care providers to adopt the Medical Home model of care over the next several years to improve the patient care experience, improve outcomes, and control costs. JMSCHC is proud to be a Medical Home pilot site working with EOHHS and the Massachusetts League of Community Health Centers to provide continuous, seamless, and coordinated care. While we understand the Commonwealth's desire to place patients in limited insurance and provider networks, it should not do so at the cost of quality and continuity of care, in conflict with EOHHS' vision, and at the cost of destabilizing safety net providers such as JMSCHC.

### Recruitment and Retention of Clinical Staff

Our clinical staff works at JMSCHC because they support our mission and want to make a difference in the lives of our patients. All of our Primary Care Providers are Board Certified in Family Practice, meaning they can see patients of all ages. They are all proficient in using an Electronic Health Record, which JMSCHC adopted 4 years ago, and they work in a fast-paced environment taking care of many patients who might not otherwise obtain care. Many of our clinical staff are also bi-lingual in languages prevalent in the Allston-Brighton community, allowing them to communicate directly with patients and take care of their many needs and concerns. All of these qualities make them high performing and highly desirable staff. Caritas has advised us of their plan to expand primary care in the community, and we are concerned that this proposed sale will enable them to set salaries for primary care providers at much more than we can afford.

We work very hard to recruit and retain staff who are the right fit for the patient populations we serve, and who are willing to work at a non-profit organization that does not offer the highest salary in the area. While our pay is competitive with that of other health centers, it is certainly not in line with what a for-profit organization might offer who has aggressive growth and return on investment targets. We are concerned that St. Elizabeth's and other Caritas providers will actively recruit our providers and other clinical staff away from JMSCHC, which would have

significant negative financial consequences to us, and severely impact our ability to care for our patients.

In closing, JMSCHC strongly recommends that the Attorney General and the Department of Public Health establish conditions on the sale of Caritas Christi to Cerberus Capital Management to protect against these types of anti-competitive practices. We are not afraid of competition that works to the advantage of the community, provided the Commonwealth does not give Caritas an unfair advantage as a result of this sale.

Sincerely,



Elizabeth Browne  
Executive Director



Mel Scovell  
Chair, Board of Directors

cc: Jeanette Clough, Mount Auburn Hospital  
Representative Kevin Honan  
James Hunt, Massachusetts League of Community Health Centers  
Representative Peter Koutoujian  
Paul Levy, Beth Israel Deaconess Medical Center  
Dr. James Mandell, Children's Hospital Boston  
Mayor Thomas Menino  
Representative Michael Moran  
Senator Steven Tolman